

(Revised May 1982)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES AND ENERGY
DIVISION OF OIL, GAS AND MINING
4241 State Office Building
Salt Lake City, Utah 84114
Telephone: (801) 533-5771

RECEIVED
AUG 30 1983

DIVISION OF
OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE MINING OPERATIONS
and
MINING AND RECLAMATION PLAN

Based on Provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, General Rules and Regulations and Rules of Practice and Procedures, By Order of the Board of Oil, Gas and Mining.

Mine Name: NORTH LILY PROJECT Mine Plan Date: AUGUST 25, 1983
File No.: PRO ACT 023 / 007 Date Received: _____
Operator: AFFILIATED MINING INC. DOGM Lead Reviewer: CMC MINING
Mineral(s) to be processed: GOLD & SILVER CLAUDE LEE, SAM MILLER
AUGUST WUAIGAMAN

Please attach other sheets as needed and include cross-reference page numbers when used.

- Name of Applicant or Company: NORTH LILY MINING CO.
Corporation (X) Partnership () Individual ()
- Address: Permanent: 555 FIRST SECURITY BLDG., 405 SOUTH MAIN ST.
SALT LAKE CITY, UTAH 84111
Temporary: _____

- Company Representative: Name: W. DON QUIGLEY
Title: CONSULTANT
Address: 57 WEST SOUTH TEMPLE, SLC., UT. 84101 Phone: 801-359-3575
- Location of Operation: County(ies) JUAB
Township(s): 10S Range(s): 3W Section(s): 35
Township(s): _____ Range(s): _____ Section(s): _____
Township(s): _____ Range(s): _____ Section(s): _____
- Owner(s) of record of the surface area within the land to be affected:
Name: NORTH LILY MINING CO. Address: AS ABOVE
Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____

Name:	NORTH LILY MINING CO.	Address:	AS ABOVE
Name:		Address:	
Name:		Address:	
Name:		Address:	

Name: NORTH LILY MINING CO. Address: AS ABOVE
 Name: _____ Address: _____
 Name: _____ Address: _____

9. Have you or any other person, partnership or corporation associated with you received an approval of a Notice of Intention to Commence Mining Operations by the State of Utah for operations other than described herein? () Yes, (x) No. If yes, list all approval numbers now under surety:

AN OPERATING LEASE TO AFFILIATED MINING, INC.

Name	Title	Address
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A.	NONE		
B.			
C.			
D.			

12. Has the Applicant, any subsidiary or affiliate or any person, partnership, association, trust or corporation controlled by or under common control with the Applicant, or any person required to be identified by Item 11 ever had an approval of a Notice of Intention to Mine or Explore withdrawn or has surety relating thereto ever been forfeited? () Yes, (X) No.

If yes, please explain: _____

Please note: Section 40-8-13 of the Act provides that information relating to the location, size or nature of the deposit, and marked confidential by the Operator, shall be protected as confidential information by the Board and the Division and not be a matter of public record in the absence of a written release from the Operator, or until the mining operation has been terminated as provided in Subsection (2) of Section 40-8-21 of the Act. This material should be so marked and included on separate cross-referenced sheets.

13. All maps and plans prepared for submission shall be of adequate scale and detail to show topographic features and clearly indicate the following details: SUBMITTED BY LETTER DATED AUGUST 22, 1983

- A. Location and delineation of the extent of the land previously affected, as well as the proposed surface disturbance.
- B. Existing active or inactive, underground or surface mined areas.
- C. Boundaries of surface properties, including ownership.
- D. Names and locations of:
 - (1) Lakes, rivers, streams, creeks and springs.
 - (2) Roads, highways and buildings.
 - (3) Active or abandoned facilities.
 - (4) Transmission lines within 500 feet of the exterior limits of land affected.
 - (5) Gas and/or oil pipelines.
 - (6) Site elevation.
- E. Drainage patterns of land affected:
 - (1) Overburden or topsoil removal and storage areas.
 - (2) Areas susceptible to erosion.
 - (3) Natural waterways.
 - (4) Constructed drainages, diversions, berms and sediment ponds (design calculations shall be included).
 - (5) Receiving waters (State Health classification).
 - (6) Directional flow of all surface waters (indicated by arrows).
- F. Known drill holes:
 - (1) Location.
 - (2) Status.

- (3) Depths and thicknesses of:*
- Water bearing strata.
 - Mineral deposits.
 - Toxic or potentially toxic materials.
 - Surficial or plant supporting material (topsoil and subsoil).

G. Locations of disposal and stockpile areas:

- Topsoil and subsoil storage areas.
- Overburden storage area.
- Waste, tailings, rejected materials.
- Raw ore stockpile(s).
- Tailings-ponds and other sediment control structures.
- Discharge points, water effluents (see #15[D]).

All maps should have a color code or other suitable legend used in preparation to clearly indicate surface features of the land affected. A general reference map completed on a 7.5 (1:24,000) USGS quadrangle sheet is recommended with additional large scale maps included for practical delineation of individual facilities, (e.g., 1:200, 1:500).

14. Acreage to be disturbed:

- A. Minesite (operating, storage, disposal areas, etc.): 5 acres (total)
- B. Access/haul roads/conveyors: _____
- C. Associated on-site processing facilities: _____

15. Describe mining method to be employed, including: NONE

A. Mining sequence:

- Map delineating the yearly sequential disturbance (if surface mine) and/or surficial disturbance. NONE
- Narrative (including on-site processing or mineral treatment):
TAILINGS AND MINE DUMPS ON COMPANY PROPERTY WILL BE REPROCESSED
BY CRUSHING, SCREENING, FLOTATION, AND SOLUTION WITH CYANIDE.

(SEE ATTACHED REPORTS)

Attach supplemental sheets and/or diagrams as necessary with
cross reference to page number here: _____.

*Stratigraphic or lithologic logs if correlated to footage depths may be presented when labeled (maps or logs should be labeled confidential, if so desired).

B. If sedimentary deposit seam(s):

(1) Thickness(es): N.A. (NOT APPLICABLE)

(2) Dip: _____

(3) Outcrop: _____

C. Will any underground workings or aquifers be encountered? () Yes, (x) No. If yes, describe potential impacts and protection measures to be taken: _____

D. Describe any active discharge or proposed discharge of water from mine or site area. Include water quality data and lab test reports. If attached sheets or reports are included, cross reference to page number here: _____

SEE ATTACHED REPORT "MINING AND RECLAMATION PLAN" PAGE 7

16. Have all necessary water rights been appropriated? (x) Yes, () No. How will water be obtained? Please explain: A WATER WELL PERMIT AND WELL HAS BEEN DRILLED AS SHOWN BY ATTACHED DOCUMENTS.

17. Proposed or estimated duration of mining operation: 6-48 MONTHS #16
Will the permit term be for a lesser amount of time, subject to review? (e.g., for surety estimate reasons). () Yes, (x) No. If yes, how long? _____

18. Describe the construction and maintenance of access roads including:

A. Procedures (drainage and erosion control methods).

B. Cross section(s).

C. Profile(s) of proposed road grade(s).

NO NEW ACCESS ROADS WILL BE REQUIRED SINCE THE PLANT IS LOCATED BESIDE A MAIN STATE HIGHWAY (HWY 6-50)

Attach supplemental diagrams and cross reference to page number here: _____

SEE FIGURE 3-1 OF PROJECT DESCRIPTION

19. Prior land use(s): SEE MINING AND RECLAMATION PLAN - PAGE 1

Current land use(s): SEE MINING AND RECLAMATION PLAN - PAGE 1

Possible projected or prospective future land use(s): PAGE 1

20. Describe methods of tree and brush removal: SEE ABOVE MINING PLAN - PAGE 10

Provide estimate of, and method of obtaining existing vegetation cover (%):

SEE MINING PLAN (ITEM 4)

What types of dominant vegetation are present? _____

Photographs and/or maps may be attached to these forms, cross reference to page number here: _____.

21. Soils (surficial plant supportive material) and overburden: Except where slope or rocky terrain make it impossible, all surficial materials suitable as a growth medium shall be removed, segregated and stockpiled according to its ability to support vegetation (as determined by soil analysis and/or practical revegetation experience) prior to any major excavation. (Suggested minimum requirements are the top six inches, or the "A" horizon, whichever is larger.)

A. What is the pH range of the soil before mining? SEE MINING PLAN (ITEM 5)

Name of person or agency and method of determining pH: _____

SEE MINING PLAN (ITEM 5)

Attach lab report if available. Cross reference page number here: _____.

B. Average depth of topsoil and subsoil to be stripped and stockpiled:

1 ft.. Calculated volume of soil to be stockpiled: 250 cu. yds.

C. Describe the method for removing and stockpiling topsoil and subsoil, including measures to protect topsoil from wind and water erosion, compaction and pollutants: _____

SHOVED TO SIDE OF AREA BY SCRAPERS - SEE MINING PLAN - PAGE 10

D. Describe the method for removing and stockpiling overburden.

Describe and discuss the acidity or alkalinity (pH) or other characteristics which would affect revegetation: _____

SEE MINING PLAN - PAGE 11

- E. Rock subjected to processing such as waste rock, tailings, etc., and which is to be disposed of on- or off-site must be subjected to a toxicity analysis. The method of determination, results and suitable disposal methods must be explained in detail, including means for containment and long range stability*: NONE ANTICIPATED

22. Describe the methods used to minimize public safety and welfare hazards during and after mining operations including:

- A. Shaft, tunnel and drill hole closure.
- B. Disposal of trash, scrap metal and wood and extraneous debris, waste oil and solvents, unusable buildings and foundations, sewage and other materials incident to mining.
- C. Posting of appropriate warning signs and/or fences or berms to act as barriers (e.g., above highwalls) in locations where public access is available.

NO SHAFTS OR TUNNELS ARE INVOLVED IN THE PROPOSED PLAN. TRASH WILL BE KEPT IN A BIN AND HAULED TO THE CITY DUMP PERIODICALLY. SCRAP METAL, EXTRA WOOD, SUPPLIES, ETC. WILL BE KEPT IN A BUILDING OR FENCED YARD USED FOR THAT PURPOSE. CHEMICAL TOILETS WILL BE USED INITIALLY FOR PERSONAL USE. MILL WASTE WATERS WILL BE DEPOSITED IN THE TAILINGS POND DESIGNED FOR THAT PURPOSE. MILL SIGNS WILL BE PLACED ON THE PROPERTY.

*"Toxic" means any chemical or biological or adverse characteristic of the material involved which could reasonably be expected to negatively affect ecological or hydrological systems or could be hazardous to the public safety and welfare.

23. Grading and soil redistribution.

- A. Attach pre- and postmining contour cross sections, typical of regrading designs. Cross reference to page number here: _____
- B. Describe the method(s) of overburden replacement and stabilization and highwall elimination, including: (a) slope factors; (b) lift heights; (c) compaction; (d) terracing, etc., (e) also include testing procedures: _____
SEE MINING PLAN - PAGES 12 THRU 16

- C. What method of spreading topsoil and subsoil or upper horizon material on the regraded area will be employed? _____ SEE MINING PLAN

1. Indicate the approximate depth of soil cover after final surfacing TEN inches.
2. What tests will be performed to adequately evaluate the potential of the soil to successfully support intended revegetation? _____ SEE MINING PLAN - PAGES 14-16

3. What soil amendments or fertilizers will be needed as an aid to revegetation?
Type: SEE MINING PLAN Rate: _____
Type: _____ Rate: _____
Type: _____ Rate: _____
4. What additional surface preparations will be used? Describe (a) drainage, erosion and sediment control measures; (b) maximum slope characteristics; and (c) highwall reclamation. _____

5. Describe methods which may be particularly applicable to waste disposal areas determined to be potential problem areas.

SEE MINING PLAN

- D. Describe plans for either leaving or reclaiming the roads and pads associated with the operation.

SEE MINING PLAN

24. Impoundments: All evaporation, tailings and sediment ponds; spoil piles, fills, pads and regraded areas shall be self-draining and nonimpounding when abandoned unless previously approved as an impounding facility by a lawful state or federal agency. In view of this, please describe the reclamation of all related areas in the operation and include pertinent items enumerated in C, 1-5 above.

SEE MINING PLAN

25. Revegetation plans:

- A. What organization, agency or person will specifically be performing the revegetation? SEE MINING PLAN
- B. Will the affected area be subject to livestock or wildlife grazing? (X) Yes, () No. Will vegetation protection be needed to allow for a determination of the successful revegetation criteria outlined in the Mined Land Reclamation Act, Rule M-10(12)? (X) Yes, () No. If yes, what measures will the operator take?
- C. Will irrigation be used? () Yes, (X) No. Type: _____
_____ For how long? _____

- D. Test plots initiated during the early stages of mine development provide good bases from which a successful revegetation program can be adapted for later implementation. Will test plots be employed? () Yes, (x) No. If yes, describe on an additional sheet(s) and attach. Cross reference page number here and show location on facilities map: _____.
- E. Please attach a revegetation plan and schedule including:
1. Species to be used.
 2. Rate of seed application/acre.
 3. Season to be planted.
 4. Seedbed preparation techniques.
 5. Planting location, slope face direction, variability, method of application, covering, etc.
 6. Mulch and fertilizer application, if used.
- F. Describe any other maintenance procedures which may be used, if needed, to guarantee successful revegetation:

SEE MINING PLAN

26. Please provide a reclamation schedule including:

- A. Estimated time for construction. 2 MONTHS
- B. Estimated time for interim reclamation. 1 MONTH
- C. Estimated duration of the mining operation. 2 YEARS
- D. A time table for the accomplishment of each major step in the reclamation plans. Attach the schedule and cross reference to the page number here: _____.

27. A surety guarantee must be provided for the mining operation (see Rule M-5 Mined Land Reclamation Act). In calculating this amount, the Division will consider the following major steps based on the information provided in this report:

- A. Clean up and removal of structures.
- B. Backfilling, grading and contouring.
- C. Topsoil and subsoil redistribution and stabilization.
- D. Revegetation (i.e., preparation, seeding, mulching, irrigation).
- E. Labor.
- F. Safety and fencing.
- G. Monitoring, and reseeding if necessary. ESTIMATE \$40,000

To assist the Division, the operator may attach a list of costs and factors which would satisfy these areas. Substantiation of these factors, i.e., unit costs and how they are derived, should accompany the list. Cross reference the page number here: _____.

28. A request for a variance from specific commitments to Rule M-10 (Reclamation Standards) of the Mined Land Reclamation Act may be submitted with adequate written justification. If after presentation of information adequately detailing the situation, a determination is made that finds a portion of the rule inapplicable, a variance may be granted by the Division.

I hereby commit the applicant to comply with Rule M-10, "Reclamation Standards" in its entirety, as adopted by the Board of Oil, Gas and Mining on March 22, 1978.

The applicant will achieve the reclamation standards for the following categories as outlined in Rule M-10 on all areas of land affected by this mine, unless a variance is granted in writing by the Division.

<u>Rule</u>	<u>Category of Commitment</u>	<u>Variance Requested?</u>
M-10(1)	Land Use	
M-10(2)	Public Safety and Welfare	
M-10(3)	Impoundments	
M-10(4)	Slopes	
M-10(5)	Highwalls	
M-10(6)	Toxic Materials	
M-10(7)	Roads and Pads	OMIT
M-10(8)	Drainages	
M-10(9)	Structures and Equipment	
M-10(10)	Shafts and Portals	OMIT
M-10(11)	Sediment Control	
M-10(12)	Revegetation	
M-10(13)	Dams	
M-10(14)	Soils	

I believe a variance is justified on a site-specific basis for the previous subsections of Rule M-10 as indicated. A narrative statement explaining these concerns is attached.

STATE OF Utah

COUNTY OF Salt Lake

I, H. Don Gungley, having been duly sworn depose and attest that all of the representations contained in the foregoing application are true to the best of my knowledge; that I am authorized to complete and file this application on behalf of the Applicant and this application has been executed as required by law.

Signed: H. Don Gungley

Taken, subscribed and sworn to before me the undersigned authority in my said county, this 29th day of August, 1983.

Notary Public: Sherrill L. Bateman

My Commission Expires: 10-1-83

PLEASE NOTE:

Section 40-8-13(2) of the Mined Land Reclamation Act provides for maintenance of confidentiality concerning certain portions of this report. Please check to see that any information desired to be held confidential is so labeled and included on separate sheets or maps.

Only information relating to the location, size or nature of the deposit may be protected as confidential.

Confidential Information Enclosed: (x) Yes () No

KEEP ENTIRE APPLICATION CONFIDENTIAL!